

PHA can only receive vouchers one year at a time	To broaden distribution of voucher allocations
PHA may use existing PHA funding to start conversion	To begin resident relocation & to prevent delays
If additional vouchers are required for relocation:	To ensure existing residents are protected
Conversion cannot start until vouchers are provided	To ensure residents are relocated appropriately
Conversion must start once vouchers are provided	So conversion can be completed on schedule
After approval, vacant/vacated units are deprogrammed	To start subsidy phase-down, if PHA is entitled
PHA may request an asset-repositioning fee from HUD	To address extra expenses, if PHA is entitled

#### **Appendix 4: Voluntary Conversion Process Overview**

The following table provides a summary of the steps to be followed to receive HUD approval of a PHA's request to remove public housing units from its inventory and to receive tenant-based or project-based assistance for the residents of the units being deprogrammed. The purpose of each step is also briefly indicated. This table is intended to provide an overview of the process. The specific requirements for completing a voluntary conversion are detailed in the Conversion Guide.

<b>Step</b>	<b>Purpose</b>
In 2001, PHAs were to assess units for conversion	To ensure PHAs consider the conversion option
Assess all general occupancy developments	To exclude senior/disabled/etc. developments
Do a <b>Required Initial Assessment</b> (RIA) for each	To spot candidates for voluntary conversion
Include each RIA in PHA Plan	To put HUD, residents & local officials on notice
RIAs are non-binding and can be updated	To enable a PHA to refine its evaluations
RIA documentation kept on file at PHA	To enable a review of assessment assumptions
<b>If PHA Wishes to Pursue Voluntary Conversion:</b>	
<b>1) PHA must ensure an RIA has been done</b>	To ensure HUD and stakeholders were on notice
<b>2) PHA must do a <b>conversion assessment</b></b>	To ensure conversion plan is justified & realistic
Develop conversion assessment that:	To provide residents with info on the plan
Includes a cost analysis	To ensure conversion is cost effective
Using Excel spreadsheet	To confirm less expensive to convert to vouchers
Analyzes the market value of the property	To ensure PHA plan is realistic
Requires an independent market study	To ensure the study is objective and professional
Must follow HUD Notice requirements	To ensure market study addresses all issues
Must complete Market Value Matrix	To determine market value
Must use to complete Excel spreadsheet	To reflect highest and best use value of property

Analyzes the rental market conditions	To ensure relocation/replacement plan is realistic
Analyzes the impacts of the conversion	To confirm conversion affects will be positive
Describes conversion implementation	To assess if the conversion is risky
Implementation schedule	To ensure timeframe is realistic
Availability of resources & funding	To ensure resources & funding are in place
PHA's capacity & capability to implement	To ensure PHA and its partners can do the job
Review conversion assessment with residents	To receive resident feedback and adjust plan
Describe conversion assessment in PHA Plan	To inform HUD Field Office and public that the PHA plans to convert the units
Describe conversion assessment in PHA Plan	Inform HUD Field Office and public that conversion is justified
Retain assessment documents at the PHA	For a further HUD or HUD contractor review
<b>3) PHA must develop a <b>voluntary conversion plan</b></b>	To document the PHA's plan for conversion
Develop conversion plan document that must:	To get stakeholder feedback by revealing:
Describe the future use of development	If demo/dispo/or other uses will be pursued
Analyze the impacts of the conversion	Conversion impacts on residents/community
Be consistent with conversion assessment	Noting & explaining conflicts with assessment
Describe of how residents were consulted	That residents were involved
Describe how local officials were consulted	That plan addresses local needs & priorities
Note how conversion proceeds will be used	To ensure that Section 18 rules are followed
Include a relocation plan	That existing residents will be protected
Address HUD's 3 conversion requirements	That plan meets 3 conversion requirements
Describe voluntary conversion plan in next PHA Plan	To inform HUD Field Office and public of PHA's plans to convert the site
Conversion Assessment can only be 1 year older than conversion plan	Assessment & plan can be in same PHA Plan
Describe conversion plan in PHA Plan or MTW Plan	Inform HUD Field Office and public of PHA's conversion plans
Retain conversion plan documents at the PHA	For a further HUD or HUD contractor review
<b>HUD Field Office Receives PHA Plan</b>	
Field Office reviews PHA Plan (including description of conversion assessment and plan)	To ensure information is accurate and complete
Field Office may approve PHA Plan, but not voluntary conversion plan	To authorize non-conversion parts of PHA Plan

<b>SAC Receives IRA and Addendum E:</b>	
SAC reviews HUD-52860 & HUD-52860-E submissions (including cost analysis, description of future use, market value matrix)	To ensure PHA is in compliance with regulatory and statutory conversion requirements and to obtain OPHI approval of the conversion
SAC receives Field Office certification	To ensure PHA Plan compliance
SAC may do site visit or request additional information	To verify/clarify conversion plan information
SAC will respond to application within 90 days	To inform PHA of application status
OPHI, through the SAC, approves conversion plan application	To authorize the PHA to proceed with conversion
OPHI issues written approval letter	To officially approve conversion
After approval, vacant/vacated units are deprogrammed	To start subsidy phase-down, if PHA is entitled
PHA may request an asset-repositioning fee from HUD	To address extra expenses, if PHA is entitled
PHA may use existing PHA funding to start conversion	To begin resident relocation & to prevent delays
<b>If Vouchers are Needed for Conversion Plan</b>	
PHA may request tenant protection public housing relocation vouchers from its HUD Field Office	To relocate the residents impacted by the conversion with tenant-based assistance
Only after HUD approves conversion plan	To justify tenant protection public housing relocation voucher allocation by HUD
PHA can only utilize PIH handbook notices or other HUD instructions	To request tenant protection public housing relocation vouchers